

MONTEREY PENINSULA COLLEGE
RESPONSE TO 2000 MONTEREY COUNTY CIVIL GRAND JURY REPORT
USE OF CALIFORNIA STATE LOTTERY FUNDS

Grand Jury Findings

1. Sixteen of the 19 responding school districts and one community college responding to the Grand Jury's survey spend lottery funds on employee salaries.

MPC Response: The respondent agrees with the finding where it is consistent with information submitted by Monterey Peninsula College. The respondent has no knowledge of the information submitted by the 19 responding school districts, the other community college, or the County Superintendent.

2. At the time of the Grand Jury's survey, there was no evidence that any lottery education revenues were being spent for prohibited purposes in Monterey County.

MPC Response: The respondent agrees with finding.

3. Four of the 19 responding school districts place lottery moneys in their general funds without further tracking. This does not comply with the California Government Code, Section 8880.5. In addition, these school districts will be unable to verify compliance with the Cardenas Textbook Act of 2000.

MPC Response: The respondent agrees with the finding where it is consistent with information submitted by Monterey Peninsula College. The respondent has no knowledge of the information submitted by the 19 responding school districts, the other community college, or the County Superintendent.

4. Fifteen of the 19 responding school districts, both community colleges, and the County Superintendent do have special tracking accounts. However, for many of the reporting districts, these designated accounts do not contain sufficient detail to verify compliance with the Cardenas Textbook Act of 2000.

MPC Response: The respondent agrees with the finding where it is consistent with information submitted by Monterey Peninsula College. The respondent has no knowledge of the information submitted by the 19 responding school districts, the other community college, or the County Superintendent.

Grand Jury Recommendations

1. The County Superintendent and all Monterey County school districts receiving revenue from the California Lottery verify that they have established and are maintaining separate accounts for the receipt and expenditure of these funds as required by Section 8880.5 of the California Government Code.

MPC Response: The recommendation has not yet been implemented, but will be implemented at the beginning of the next fiscal year. The College does separately account for lottery revenues and has expended these funds as unrestricted General Fund revenues exclusively for the education of pupils and students in compliance with the account reporting requirements presented in the California Community Colleges Budget and Accounting Manual.

2. The County Superintendent and all Monterey County school districts review their accounting practices to facilitate tracking and compliance with the new requirements of California's Cardenas Textbook Act of 2000 as defined in Section 8880.4 of the California Government Code.

MPC Response: The recommendation has not yet been implemented, but will be implemented at the beginning of the next fiscal year. The District will comply with the new requirements of the Cardenas Textbook Act of 2000 in its reporting of lottery expenditures on the Annual Financial and Budget Report (Form 311) required by the California Community Colleges Chancellor's Office, for the fiscal year ended June 30, 2000.